

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF NORTHERN KENTUCKY)	
WATER SERVICE DISTRICT FOR A CERTIFICATE)	
OF PUBLIC CONVENIENCE AND NECESSITY FOR)	CASE NO.
THE CONSTRUCTION OF PROJECT Z: 16-INCH)	2000-236
WATER MAIN.)	

O R D E R

By application filed May 11, 2000, Northern Kentucky Water Service District (“Northern Kentucky District”) has applied for a Certificate of Public Convenience and Necessity to construct a \$451,748 waterworks improvement project. The Commission has previously determined that this project, which Northern Kentucky District has designated as Project Z, requires a Certificate of Convenience and Necessity.¹ Having reviewed the application and being otherwise sufficiently advised, the Commission finds that:

1. The proposed waterworks improvement project involves the construction of 6,555 linear feet of 16-inch ductile iron water main.
2. The proposed waterworks improvement project will replace an existing 8-inch unlined cast iron water main, improve water flows to the Independence Tank, eliminate problem water mains, improve water quality, and improve fire protection in the Independence, Kentucky area.

¹ Case No. 98-079, The Application of Northern Kentucky Water Service District to Construct Various Water Distribution Facilities Under Its Capital Budgets Programs (June 9, 1998).

3. The proposed waterworks improvement project will not compete with any other water utility.

4. Construction of the proposed waterworks improvement project will not result in the wasteful duplication of any existing utility facilities.

5. Viox & Viox, Inc. Consulting Engineers and Surveyors, of Erlanger, Kentucky prepared the drawings and specifications for the proposed waterworks improvement project.

6. The Division of Water of the Kentucky Natural Resources and Environmental Protection Cabinet has approved the drawings and specifications for the proposed waterworks improvement project.

7. Estimated total cost of the proposed waterworks improvement project is \$451,748.

8. Northern Kentucky District proposes to finance the proposed waterworks project with bonds previously approved in Case No. 98-417.²

9. Public convenience and necessity require construction of the proposed waterworks improvement project.

IT IS THEREFORE ORDERED that:

1. Northern Kentucky District is granted a Certificate of Public Convenience and Necessity to construct the proposed waterworks improvement project as set forth in the drawings and specifications contained in its application.

² Case No. 98-417, Application of Northern Kentucky Water Service District to Issue Revenue Bonds in the Approximate Amount of \$33,645,000 (+ or - \$3,360,000) for the Purpose of Refinancing a Portion of Certain Outstanding Bonds of the System, to Pay the Cost of Issuing the Bonds and to Fund Approximately \$10,360,000 of Projects Which the Commission has Determined are not Subject to Approval as to a Certificate of Public Convenience and Necessity; and to Fund Project K (Ky. PSC. Dec. 17, 1998).

2. Northern Kentucky District shall obtain approval from the Commission prior to performing any additional construction not expressly authorized by this Order.

3. Any deviation from the construction approved shall be undertaken only with the prior approval of the Commission.

4. Northern Kentucky District shall furnish documentation of the total costs of this project including the cost of construction and all other capitalized costs (engineering, legal, administrative, etc.) within 60 days of the date that construction is substantially completed. Construction costs shall be classified into appropriate plant accounts in accordance with the Uniform System of Accounts for water utilities prescribed by the Commission.

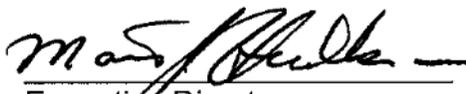
5. Northern Kentucky District should require construction to be inspected under the general supervision of a professional engineer with a Kentucky licensure, competent to practice civil or mechanical engineering to ensure that the construction work is done in accordance with the contract drawings and specifications and in conformance with the best practices of the construction trades involved in the project.

6. Northern Kentucky District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

Done at Frankfort, Kentucky, this 22nd day of June, 2000.

ATTEST:

By the Commission


Executive Director